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Espionage Scandal Of 'Gravest' Nature Reported in Britain

LONDON, July 17 (AP) — British officials are investigating a major espionage case involving poor security at a top secret communications station, British news organizations said today.

The Times of London said the case involved the Government Communications Headquarters at Cheltenham, 90 miles northwest of London.

The headquarters controls a worldwide network of communications and

surveillance stations monitoring millions of international messages that code and language specialists analyze. Cheltenham also maintains security links with Britain's allies, including the United States.

The reports followed the arraignment Thursday of Geoffrey Arthur Prime of Cheltenham on an espionage charge described by prosecutor David Matthews as being "of the gravest possible nature."

Details were not disclosed, but the formal charge states that Mr. Prime "between Jan. 1, 1968, and Dec. 31, 1981, in England for purposes prejudicial to the safety and interest of the state, communicated to other persons information which was calculated to be or might be, or was intended to be, directly or indi-

rectly useful to an enemy."

The Sun reported that the information related to leaks from Cheltenham. The Daily Telegraph described the defendant as a former employee at Cheltenham.

Mr. Prime, 44 years old, was ordered held in custody. Judicial proceedings were delayed until Nov. 26. He is expected to be tried at London's Old Bailey Central Criminal Court.

The Financial Times said Cabinet ministers feared the incident "could develop into the biggest scandal since Kim Philby."

Mr. Philby, a leading member of Britain's intelligence services, fled to Moscow in 1963 after revealing scores of agents around the world to the Soviet Union.